



**EXPEDITED RULE MAKING**  
(Chapter 25, Laws of 2001)

**CR-105 (7/22/01)**  
**Expedited rule making**  
**only**

**Agency:** Department of Revenue

**(a) Title of Rule:** WAC 458-20-151 (Dentists and other health care providers, dental laboratories, and dental technicians.)

**Purpose:** To provide information about the taxability of dentists and other health care providers, dental laboratories, and dental technicians.

**Other identifying information:**

**(b) Statutory authority for adoption:**  
RCW 82.32.300 and 82.01.060(2)

**Statute being implemented:** See attachment for a list of statutes being implemented.

**(c) Summary:** This rule explains the application of Washington's business and occupation (B&O), retail sales, and use taxes to the business activities of dentists and other health care providers, dental laboratories, and dental technicians.

**Reasons supporting proposal:** This rule needs to be updated to reflect legislation implementing provisions of the national Streamlined Sales and Use Tax Agreement.

<b>(d) Name of Agency Personnel Responsible for:</b>	<b>Office Location</b>	<b>Telephone</b>
<b>1. Drafting.....</b> Mark Mullin,	1025 Union Ave. SE, Ste #400, Olympia, WA	(360) 570-6112
<b>2. Implementation...</b> Alan R. Lynn,	1025 Union Ave. SE, Ste #400, Olympia, WA	(360) 570-6125
<b>3. Enforcement.....</b> Russell Brubaker,	1025 Union Ave. SE, Ste #400, Olympia, WA	(360) 570-6131

**(e) Name of proponent (person or organization):**

	Private
	Public
Department of Revenue	<b>X</b> Governmental

**(f) Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters:** No comments or recommendations are submitted.

**(g) Is rule necessary because of:**

<b>Federal Law?</b>	Yes	<input checked="" type="checkbox"/> No	<b>If yes, attach copy of text</b>
<b>Federal Court Decision?</b>	Yes	<input checked="" type="checkbox"/> No	<b>Citation:</b>
<b>State Court Decision?</b>	Yes	<input checked="" type="checkbox"/> No	

**NOTICE**

**THIS RULE IS BEING PROPOSED UNDER AN EXPEDITED RULE-MAKING PROCESS THAT WILL ELIMINATE THE NEED FOR THE AGENCY TO HOLD PUBLIC HEARINGS, PREPARE A SMALL BUSINESS ECONOMIC IMPACT STATEMENT, OR PROVIDE RESPONSES TO THE CRITERIA FOR A SIGNIFICANT LEGISLATIVE RULE. IF YOU OBJECT TO THIS USE OF THE EXPEDITED RULE-MAKING PROCESS, YOU MUST EXPRESS YOUR OBJECTIONS IN WRITING, AND THEY MUST BE SENT TO:**

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**And received by (date):** July 19, 2004

**To obtain a copy of this form and rule in an alternative format:** Contact Sandy Davis no later than 10 days before the hearing date. TTY 1-800-451-7985 or (360) 725-7499

**Name (type or print)**  
Alan R. Lynn

**Signature** **Filed: May 13, 2004**  
**Time: 11:41 AM**  
**WSR: 04-11-042**

**Title** Rules Manager  
Legislation & Policy Division

**Date**

**CODE REVISER USE ONLY**

**(h) Short explanation of rule, its purpose, and anticipated effects:**

WAC 458-20-151 explains the taxability of dentists and other health care providers, dental laboratories, and dental technicians. The proposed rule incorporates changes to RCW 82.08.0283 and 82.12.0277 dealing with the sales and use tax exemption for prosthetic devices under legislation implementing provisions of the national Streamlined Sales and Use Tax Agreement (chapter 168, Laws of 2003 and chapter 153, Laws of 2004). Effective July 1, 2004, RCW 82.08.0283 and 82.12.0277 will no longer provide an explicit exemption for the sale or use of "dental appliances, devices, restorations, and substitutes, and the components thereof, including but not limited to full and partial dentures, crowns, inlays, fillings, braces, and retainers." Instead, the sale or use of dental prostheses, to the extent they meet the statute's definition of "prosthetic device," are exempt from sales tax.

The proposed rule also deletes outdated information on the taxability of dental laboratories and dental technicians on income earned prior to October 1, 1998.

**Does proposal change existing rules?**      ☒ **YES**      **NO**      **If yes, describe changes:**

This proposal amends WAC 458-20-151 as explained above.

**Attachment to CR-105**  
**Expedited Rule Making for WAC 458-20-151**

**Statutes being implemented:**

- RCW 82.04.290 (as it relates to dentists and other health care providers, dental laboratories, and dental technicians).
- RCW 82.04.120 and 82.04.240 (as they apply to dental laboratories and dental technicians).
- RCW 82.08.0283 and 82.12.0277 (as they apply to the sale or use of dental prostheses).